# Former Coliseum Inn Site Market Study, July 2017

The redevelopment strategies for this site will look at local market demand with the surrounding retail and restaurants as well as the regional draw and demand from the Greensboro Coliseum Complex, the ACC Hall of Champions and the Greensboro Aquatic Center.

Key factors into evaluating site:

- W. Gate City Boulevard is a major corridor attracting regional draw
- Recent streetscape improvements make Gate City more walkable and more amenable to neighborhood uses
- Flexibility/variety of uses may fit Coliseum area
- Site constraints limit the types of uses available on the site

Figure 1: Coliseum Inn Site, W. Gate City Blvd.

**Key Findings:**

1. Demographics have generally been improving for population and household income, particularly in the 5 Minute Community Trade Area
2. Day-time population is very strong due to proximity of the Coliseum Complex, UNCG, Greensboro College, retailers, services and hotels with:
   - 7,680 daytime employees and residents within the 3 Minute Trade Area
   - 26,405 daytime employees and residents within the 5 Minute Trade Area
   - 164,580 daytime employees and residents within the 10 Minute Trade Area
3. The area is a net surplus for retail, meaning residents and employees are coming into the Trade Areas to shop and eat. Promising categories for retail include food and beverage, food services/restaurants, general merchandise, miscellaneous retailers and sporting-related goods and activities.
4. Restaurant market potential includes family restaurants, quick service and coffee-house that take advantage of high daytime population.
5. Market conditions for a hotel use have improved with demand increasing 28% since 2011 while supply has only increased 9%. The small size of the site will be a constraint, although would allow a hotel of approximately 100 rooms.

## Trade Areas (shown on Figure 2)

This study focused on trends in three main market trade areas, 3, 5 and 10 minute radii from the former coliseum inn site.

**3 Minute Neighborhood Trade Area (Shown in Orange)**

- Convenient, walkable market environment around the Aquatic Center and the Coliseum

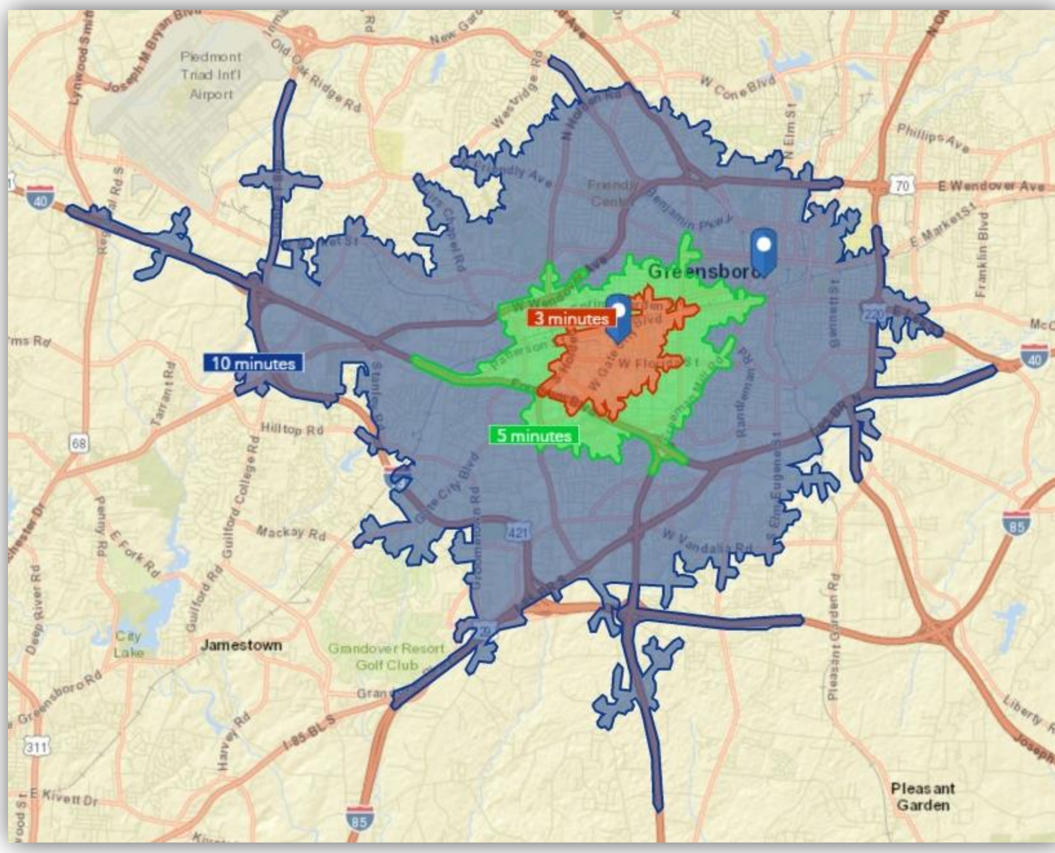
**5 Minute Community Trade Area (Shown in Green)**

- Most market surrounding site that is quickly accessible by car, bus and residential base

**10 Minute Community Trade Area (Shown in Blue)**

- Regional draw from surrounding area for destination retail , restaurants and hotels that builds on Coliseum, ACC Hall of Campions and Aquatic Center

Figure 2: Map of Trade Area boundaries around site




Data source: ESRI 2017

## Demographic and Market Analysis

### Population Trends

- Decline in population of approximately 400 residents within 3 Minute Neighborhood Trade Area.
- In addition, there are 19,653 students and 4,700 employees at UNCG plus 580 employees at the Coliseum complex, most of whom are not counted within Census reported population.
- Modest increase in population within the 5 Minute Community Trade Area is showing an increase of approximately 1,600 residents, or 9% increase from the 2010 population.
- Similar increases in population percentages between the 5 and 10 minute trade areas.
- Total daytime population data suggests that people are coming into market area to work and shop
- Two major nearby employers are the Coliseum and UNCG. The Coliseum has 580 total employees while UNCG has over 4,700. In addition, visitors and students to these facilities and the prominent location on W. Gate City Boulevard make this a prime location for restaurants and retailers seeking daytime business.

| POPULATION SUMMARY | 3 Minute Neighborhood Trade Area | 5 Minute Community Trade Area | 10 Minute Regional Trade Area |
|---|---|---|---|
| 2000 Total Population | 4,727 | 18,010 | 104,871 |
| 2010 Total Population | 4,404 | 18,625 | 108,570 |
| 2016 Total Population | 4,327 | 19,632 | 114,121 |
| Workers | 5,501 | 16,872 | 105,583 |
| Residents | 2,179 | 9,533 | 59,267 |
| **2016 Total Daytime Population (residents at-home plus employees)** | **7,680** | **26,405** | **164,850** |

Data source: ESRI 2017, U.S. Census Bureau 2010, Esri Forecasts

## Income and Household Trends

- Median Household Income is $27,512 compared with $33,780 in the 10 Minute Regional Trade Area and $41,688 in the City of Greensboro
- 3,052 households in the 5 Minute Community Trade Area, or 7,416 residents earn over $50,000 and are potential customers for many retail and restaurant categories
- Owner-occupancy rate is artificially low due to high number of students in area that spend higher shares of disposable income than traditional households

| HOUSEHOLDS BY INCOME | 5 Minute Community Trade Area | |
|---|---|---|
| | Number | Percent |
| <$15,000 | 7,890 | 100% |
| $ 15,000 - $24,999 | 2,084 | 26.4% |
| $ 25,000 - $34,999 | 1,462 | 18.5% |
| $ 35,000 - $49,999 | 1,212 | 15.4% |
| $ 50,000 - $74,999 | 1,060 | 13.4% |
| $ 75,000 - $99,999 | 945 | 12.0% |
| $ 100,000 -$149,999 | 583 | 7.4% |
| $ 150,000 -$199,999 | 351 | 4.4% |
| $ 200,000 + | 113 | 1.4% |

| INCOME + HOUSEHOLD | |
|---|---|
| 5 Minute Community Trade Area | |
| Median Household Income: | $27,604 |
| Median Disposable Income: | $24,463 |
| Median Value of Homes: | $98,049 |
| Total Number of Households: | 7,890 |
| Average Household Size: | 2.43 |
| Share of Owner-Occupied Units: | 30.1% |

## Business and Employment Trends

- All trade areas have a high concentration of businesses and employees
- Over 400 retail stores employ over 6,000 workers within the 5 Minute Community Trade Area
- There is also a high concentration of Services including hotels, education and other services

| | 3 Minutes | 5 Minutes | 10 Minutes |
|---|---|---|---|
| **Total Businesses:** | 597 | 1,431 | 8,433 |
| **Total Employees:** | 5,911s | 16,201 | 110,607 |

| 5 MINUTE COMMUNITY TRADE AREA | | | | |
|---|---|---|---|---|
| **Data for all Businesses in the Area** | **Businesses** | | **Employees** | |
| **By SIC Codes** | **Number** | **Percent** | **Number** | **Percent** |
| **Agriculture & Mining** | 13 | 0.9% | 83 | 0.5% |
| **Construction** | 59 | 4.1% | 370 | 2.3% |
| **Manufacturing** | 42 | 2.9% | 1,272 | 7.9% |
| **Transportation** | 30 | 2.1% | 271 | 1.7% |
| **Communication** | 28 | 2.0% | 143 | 0.9% |
| **Utility** | 4 | 0.3% | 19 | 0.1% |
| **Wholesale Trade** | 44 | 3.1% | 448 | 2.8% |

| | | | | |
|---|---|---|---|---|
| **Retail Trade Summary** | **427** | **29.8%** | **6,069** | **37.5%** |
| Home Improvement | 7 | 0.5% | 147 | 0.9% |
| General Merchandise Stores | 18 | 1.3% | 482 | 3.0% |
| Food Stores | 32 | 2.2% | 248 | 1.5% |
| Auto Dealers, Gas Stations, Auto | 38 | 2.7% | 172 | 1.1% |
| Apparel & Accessory Stores | 69 | 4.8% | 783 | 4.8% |
| Furniture & Home Furnishings | 30 | 2.1% | 172 | 1.1% |
| Eating & Drinking Places | 124 | 8.7% | 2,046 | 12.6% |
| Miscellaneous Retail | 108 | 7.5% | 2,019 | 12.5% |
| | | | | |
| **Finance, Insurance, Real Estate Summary** | **155** | **10.8%** | **668** | **4.1%** |
| Banks, Savings & Lending Institutions | 45 | 3.1% | 80 | 0.5% |
| Securities Brokers | 7 | 0.5% | 19 | 0.1% |
| Insurance Carriers & Agents | 37 | 2.6% | 275 | 1.7% |
| Real Estate, Holding, Other Investment Offices | 66 | 4.6% | 294 | 1.8% |
| | | | | |
| **Services Summary** | **564** | **39.4%** | **6,459** | **39.9%** |
| Hotels & Lodging | 14 | 1.0% | 885 | 5.5% |
| Automotive Services | 61 | 4.3% | 165 | 1.0% |
| Motion Pictures & Amusements | 25 | 1.7% | 528 | 3.3% |
| Health Services | 60 | 4.2% | 681 | 4.2% |
| Legal Services | 8 | 0.6% | 76 | 0.5% |
| Education Institutions & Libraries | 33 | 2.3% | 1,641 | 10.1% |
| Other Services | 363 | 25.4% | 2,483 | 15.3% |
| | | | | |
| **Government** | **21** | **1.5%** | **393** | **2.4%** |
| **Unclassified Establishments** | **45** | **3.1%** | **7** | **0.0%** |
| **TOTALS** | **1,431** | **100.0%** | **16,201** | **100.0%** |

## Retail Market Place Profile Trends

- The 5 Minute Community Trade Area has a surplus in nearly all retail categories, meaning residents from other areas plus employees area shopping in the Trade Area.
- The Coliseum Inn Site can build on the high traffic counts, visibility and propensity to shop in this Trade Area to attract additional customers.
- Promising categories include:
  - Food &Beverage, especially Specialty Foods
  - Sporting Goods
  - General Merchandise
  - Misc. Retailers
  - Food Services/Restaurants

| INDUSTRY SUMMARY | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/ Surplus Factor | Number of Businesses |
|---|---|---|---|---|---|
| Total Retail Trade and Food and Drink | $181,374,310 | $747,639,747 | -$566,265,437 | -61.0 | 406.0 |
| Total Retail Trade | $163,798,217 | $661,116,551 | -$497,318,334 | -60.3 | 279.0 |
| Total Food and Drink | $17,576,092 | $86,523,195 | -$68,947,103 | -66.2 | 127.0 |

| BY INDUSTRY | Demand (Retail Potential) | Supply (Retail Sales) | Retail Gap | Leakage/Surplus Factor | Number of Businesses |
|---|---|---|---|---|---|
| Motor Vehicle & Parts | $37,993,186 | $35,558,562 | $2,434,624 | 3.3 | 26 |
| Furniture & Furnishings | $5,629,788 | $8,875,904 | -$3,246,116 | -22.4 | 12 |
| Electronics | $7,983,929 | $20,637,239 | -$12,653,310 | -44.2 | 17 |
| Building Materials | $8,491,300 | $22,410,347 | -$13,919,047 | -47.0 | 5 |
| Food & Beverage | $30,640,483 | $40,635,527 | -$9,995,044 | -14.0 | 22 |
| Clothing | $7,236,154 | $105,929,528 | -$98,693,374 | -87.4 | 51 |
| Sporting Goods | $4,129,595 | $16,7,64058,318 | -$12,628,723 | -60.5 | 17 |
| General Merchandise | $30,065,993 | $89,162,633 | -$59,096,640 | -57.3 | 8 |
| Misc. Store Retailers | $8,125,125 | $19,553,029 | -11,427,904 | -41.3 | 43 |
| Food Services & Drinking Places | $17,576,092 | $86,523,195 | -$68,947,103 | -66.2 | 127 |

## Restaurant Market Potential Trends

- The site is well-suited to one or more restaurants.
- Family restaurants or quick service (e.g. Panera) would be a good target market for the type of restaurant for the site to take advantage of the location
- There is also demand for a coffee-house/lunch restaurant that could take advantage of the location that includes commuters to downtown, residents, employees of the Coliseum, UNCG, etc.
- There is demand for national-credit restaurant tenants, as well as visitors to the Coliseum
- Residents are travelling to restaurants located in other areas of Greensboro for national-credit restaurants
- There is sufficient space for an attractive restaurant with outdoor seating area, “teaser parking” in the front, and additional parking in the rear.

| PRODUCT/CONSUMER BEHAVIOR | 5 Minute Community Trade Area | | |
|---|---|---|---|
| | Expected Number of Adults | Percent | MPI |
| Went to family restaurant/steak house in last 6 mo | 11,624 | 72.8% | 98 |
| Went to family restaurant/steak house 4+ times/mo | 4,028 | 25.2% | 92 |
| Spent at family rest/steak house last 6 months: <$31 | 1,240 | 7.8% | 109 |
| Spent at family rest/steak house last 6 months: $31-50 | 1,468 | 9.2% | 112 |
| Spent at family rest/steak house last 6 months: $51-100 | 2,931 | 18.3% | 122 |
| Spent at family rest/steak house last 6 months: $101-200 | 1,573 | 9.8% | 83 |
| Spent at family rest/steak house last 6 months: $201-300 | 786 | 4.9% | 91 |
| Spent at family rest/steak house last 6 months: $301+ | 818 | 5.1% | 70 |
| Family restaurant/steak house last 6 months: breakfast | 1,924 | 12.0% | 96 |
| Family restaurant/steak house last 6 months: lunch | 3,059 | 19.1% | 101 |
| Family restaurant/steak house last 6 months: dinner | 7,383 | 46.2% | 99 |
| Family restaurant/steak house last 6 months: snack | 528 | 3.3% | 174 |
| Family restaurant/steak house last 6 months: weekday | 4,497 | 28.1% | 93 |
| Family restaurant/steak house last 6 months: weekend | 6,580 | 41.2% | 100 |
| Fam rest/steak hse/6 months: Applebee`s | 4,115 | 25.8% | 109 |
| Fam rest/steak hse/6 months: Bob Evans Farms | 839 | 5.3% | 144 |
| Fam rest/steak hse/6 months: Buffalo Wild Wings | 1,660 | 10.4% | 122 |
| Fam rest/steak hse/6 months: California Pizza Kitchen | 386 | 2.4% | 72 |
| Fam rest/steak hse/6 months: Carrabba`s Italian Grill | 328 | 2.1% | 66 |
| Fam rest/steak hse/6 months: The Cheesecake Factory | 852 | 5.3% | 82 |

| | | | |
|---|---|---|---|
| Fam rest/steak hse/6 months: Chili`s Grill & Bar | 1,797 | 11.2% | 93 |
| Fam rest/steak hse/6 months: CiCi`s Pizza | 850 | 5.3% | 136 |
| Fam rest/steak hse/6 months: Cracker Barrel | 1,405 | 8.8% | 87 |
| Fam rest/steak hse/6 months: Denny`s | 1,466 | 9.2% | 99 |
| Fam rest/steak hse/6 months: Golden Corral | 1,519 | 9.5% | 118 |
| Fam rest/steak hse/6 months: IHOP | 1,762 | 11.0% | 99 |
| Fam rest/steak hse/6 months: Logan`s Roadhouse | 689 | 4.3% | 126 |
| Fam rest/steak hse/6 months: LongHorn Steakhouse | 559 | 3.5% | 73 |
| Fam rest/steak hse/6 months: Old Country Buffet | 304 | 1.9% | 110 |
| Fam rest/steak hse/6 months: Olive Garden | 3,049 | 19.1% | 110 |
| Fam rest/steak hse/6 months: Outback Steakhouse | 1,504 | 9.4% | 99 |
| Fam rest/steak hse/6 months: Red Lobster | 1,824 | 11.4% | 95 |
| Fam rest/steak hse/6 months: Red Robin | 961 | 6.0% | 99 |
| Fam rest/steak hse/6 months: Ruby Tuesday | 924 | 5.8% | 95 |
| Fam rest/steak hse/6 months: Texas Roadhouse | 1,520 | 9.5% | 125 |
| Fam rest/steak hse/6 months: T.G.I. Friday`s | 1,207 | 7.6% | 100 |
| Fam rest/steak hse/6 months: Waffle House | 929 | 5.8% | 110 |
| Went to fast food/drive-in restaurant in last 6 mo | 14,490 | 90.7% | 101 |
| Went to fast food/drive-in restaurant 9+ times/mo | 6,497 | 40.7% | 103 |
| Spent at fast food/drive-in last 6 months: <$11 | 689 | 4.3% | 101 |
| Spent at fast food/drive-in last 6 months: $11-$20 | 1,209 | 7.6% | 102 |
| Spent at fast food/drive-in last 6 months: $21-$40 | 2,163 | 13.5% | 115 |
| Spent at fast food/drive-in last 6 months: $41-$50 | 1,253 | 7.8% | 104 |
| Spent at fast food/drive-in last 6 months: $51-$100 | 3,088 | 19.3% | 116 |
| Spent at fast food/drive-in last 6 months: $101-$200 | 2,258 | 14.1% | 117 |
| Spent at fast food/drive-in last 6 months: $201+ | 1,800 | 11.3% | 93 |

## Sports and Leisure Market Potential Trends

- The location and visibility may take advantage of attracting a sports store or fitness use
- The community is active in participating in sports and attending sporting events
- While there is a Gander Mountain nearby, other sports-related merchandising or sports/entertainment uses (e.g. health club, cycling studio, etc.) would complement the attractions at the Coliseum and Aquatic Center

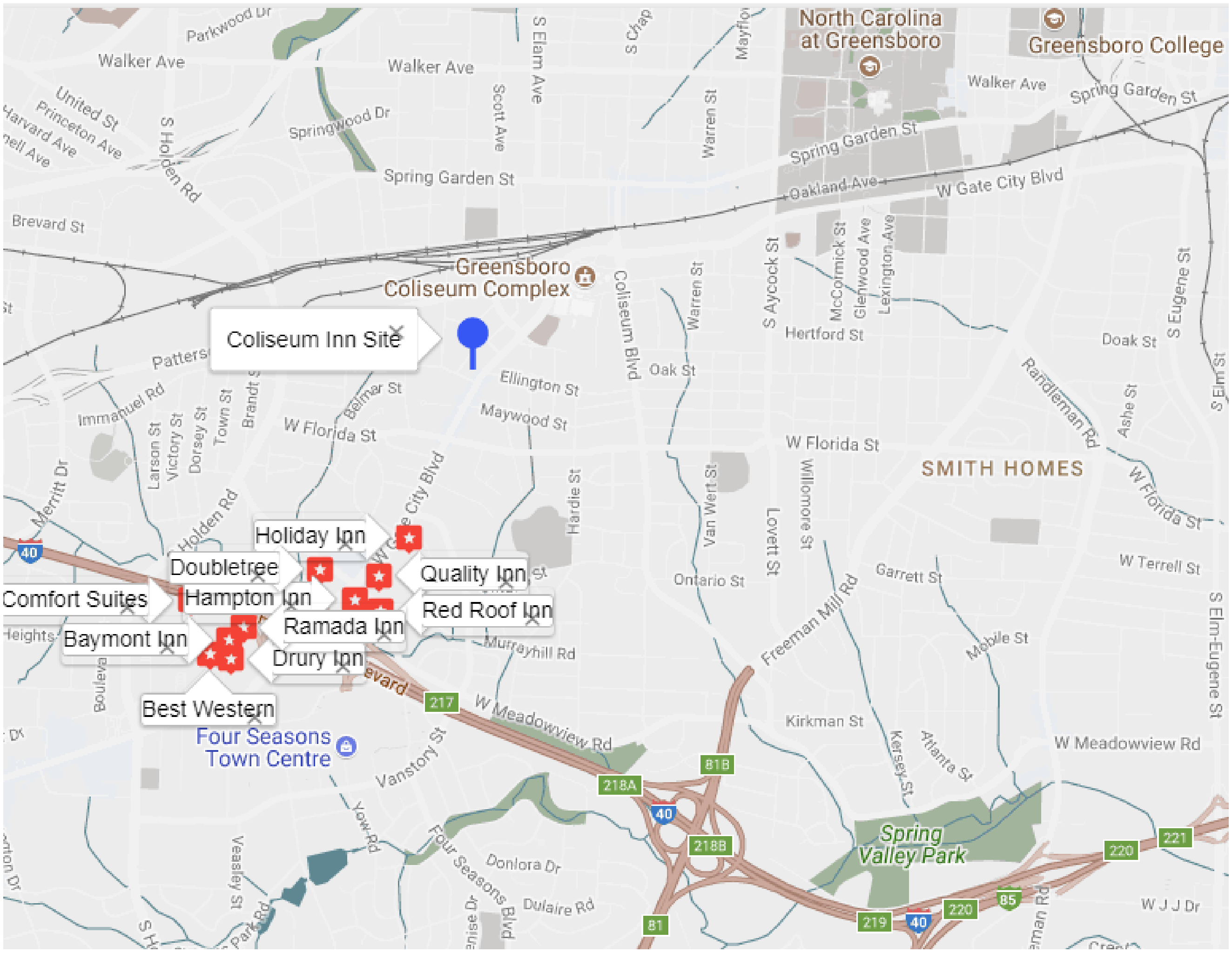
| PRODUCT/ CONSUMER BEHAVIOR | Expected Number of Adults/HHs | Percent | MPI |
|---|---|---|---|
| Participated in aerobics | 1,521 | 9.55 | 112 |
| Participated in basketball | 1,841 | 11.5 | 139 |
| Participated in bike riding (rode) | 1,450 | 9.1% | 91 |
| Participated in football | 1,171 | 7.0% | 148 |
| Participated in jogging/running | 3.103 | 19.4% | 148 |
| Attend sports event | 3.374 | 21.1 | 92 |
| Attend basketball game (college) | 584 | 3.7 | 127 |
| Attend dance performance | 1.052 | 6.6 | 147 |

## Hotel Use Market Trends

- The location can serve the Coliseum area, UNCG, Greensboro College as well as being a high visibility location that can serve Downtown and the central area of Greensboro
- Occupancy has been improving, but is still lower than statewide averages
- Demand and revenue has been increasing for the hotels closest to the site

**The location of the site near the** Greensboro Coliseum, the Aquatic Center, University of North Carolina at Greensboro and Greensboro lends itself to the possibility of a hotel. In addition, the hotel is situated midway between a cluster of hotels at I 40 and downtown and could serve any visitor to the central area of Greensboro due to convenient access on Gate City Boulevard. Teska analyzed the nearby hotels identified in the map below.

Figure 3: Location of Nearby Hotels

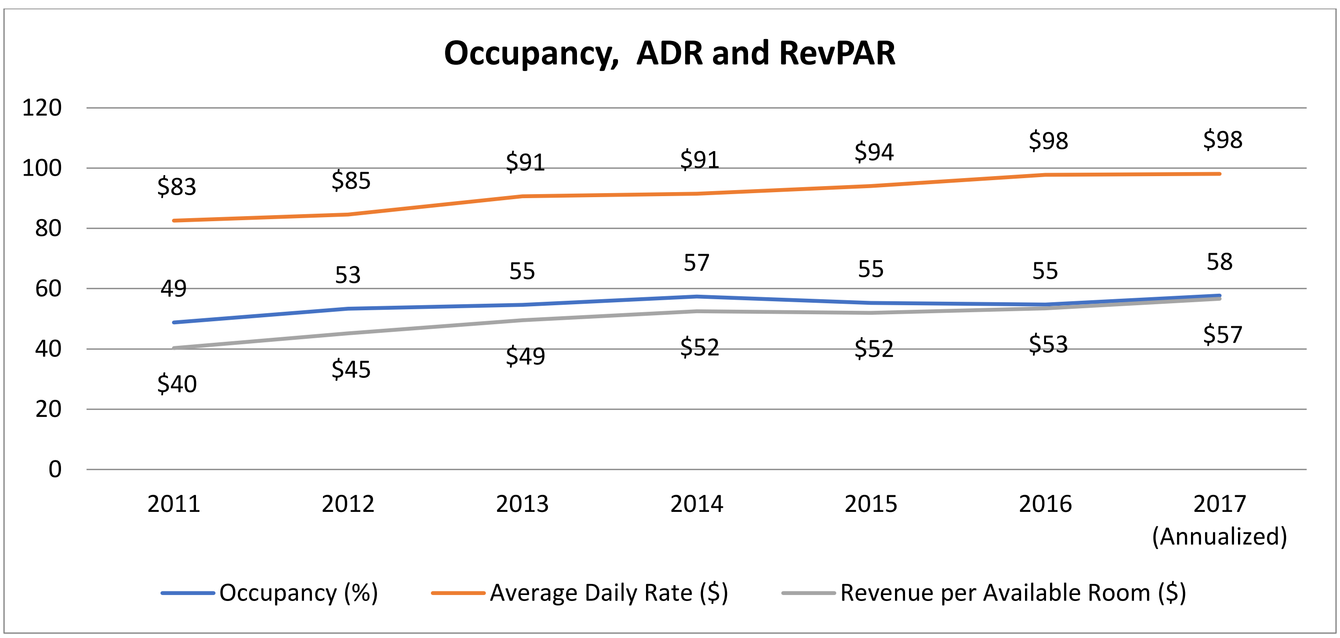


| HOTEL MARKET CHARACTERISTICS | | | | | | | |
|---|---|---|---|---|---|---|---|
| **Trends** | **2011** | **2012** | **2013** | **2014** | **2015** | **2016** | **2017 (Annualized)** |
| Occupancy (%) | 49 | 53 | 55 | 57 | 55 | 55 | 58 |
| Average Daily Rate ($) | 83 | 85 | 91 | 91 | 94 | 98 | 98 |
| Revenue per Available Room ($) | 40 | 45 | 49 | 52 | 52 | 53 | 57 |
| Supply (Total Room Available) | 398,427 | 408,243 | 438,009 | 418,358 | 433,009 | 438,000 | 434,400 |
| Demand (Total Rooms Booked) | 194,474 | 217,758 | 239,070 | 240,011 | 239,431 | 239,651 | 250,802 |
| Revenue | 16,057,101 | 18,674,119 | 21,674,119 | 21,957,526 | 22,516,691 | 23,430,398 | 24,614,754 |

Source: STR Trend Rport, Retrieved 7/26/17 by Teska Associates, Inc.

**Occupancy, Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR)**

Occupancy levels, Average Daily Rate (ADR) and Revenue Per Available Room (RevPAR) have all been increasing. Occupancy has incrased form 49% to 58% over the past seven years, ADR has increaed from $83 to $98 and RevPAR (the industry standard measure to compare markets) has increased from $40 to $57. All of these tends are positive, although may not be high enough to meet expecttions of hotel developers.

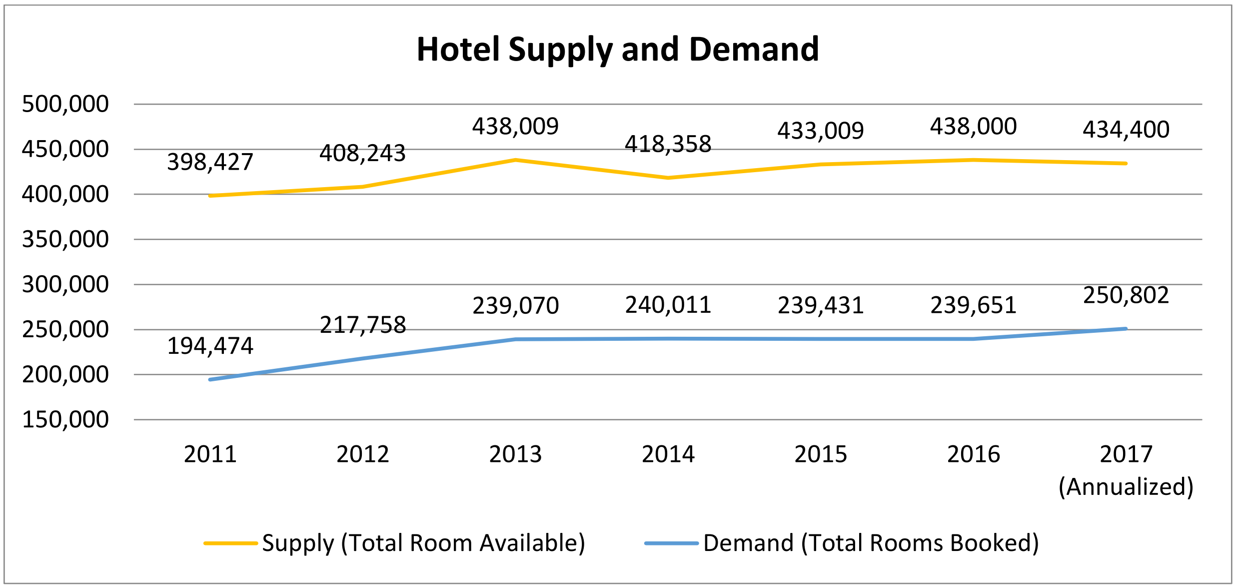



Source: STR Trend Rport, Retrieved 7/26/17 by Teska Associates, Inc.

**Hotel Supply and Demand**

As shown below, demand has increased from 194,000 booked rooms to 250,000 booked rooms from 2011 to an annualized rate for 2017. This is an increase of 28% over the six years. In addition, cancellation of certain evants at the Coliseum in 2016 thru early 2017, demand remained strong during the period of time.

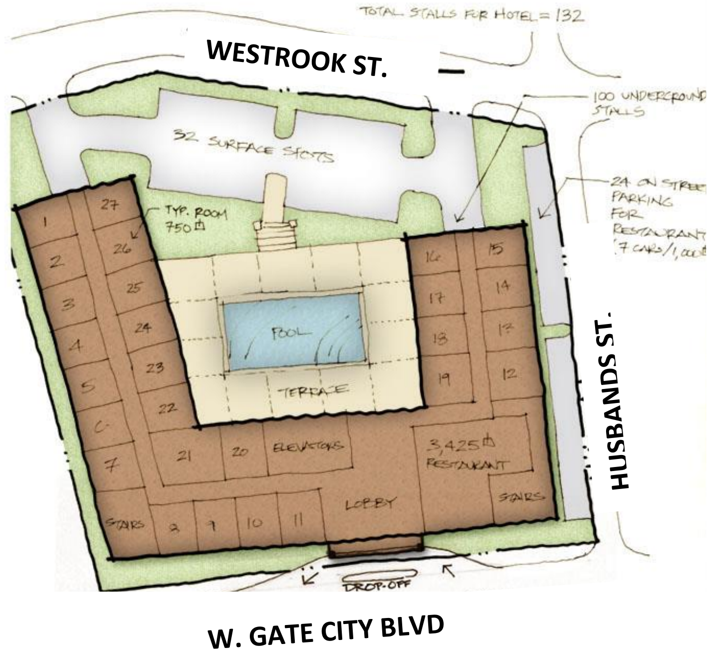
The supply side has not substantially changed however. Renovations of hotel properties took rooms out and then back into the supply availability, but there has only been an increase of 35,973 hotel nights available, or only a 9% increase.




Source: STR Trend Rport, Retrieved 7/26/17 by Teska Associates, Inc.

Figure 4: Hotel Concept

The challenge for a hotel will be the relatively small site. But as illustrated to the right, a 99 room hotel plus 132 parking spaces could be accommodated on the site. The category of smaller, mid- to higher-range hotels such as Marriott Residence Inn or Hyatt House could be appropriate for this type of location.



**Prepared for the Department of Planning, City of Greensboro**

**Teska Associates, Inc.**

**July 31, 2017**